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FILED

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HOWARD ARMSTRONG
MARIN COUNTY CLERK
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8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 IN AND FOR THE COUNTY OF MARIN

11 CHURCH OF SCIENTOLOGY)
12 INTERNATIONAL, a California)
13 not-for-profit religious)
14 corporation;)
15 Plaintiffs,)
16 vs.)
17 GERALD ARMSTRONG; MICHAEL)
18 WALTON; et al,)
19 Defendants.)

No. 157 680

VERIFIED CROSS-COMPLAINT
FOR ABUSE OF PROCESS

RECEIVED

NOV 30 1993

HUB LAW OFFICES

19 GERALD ARMSTRONG,
20 Cross-Complainant,

21 -vs-

22 CHURCH OF SCIENTOLOGY)
23 INTERNATIONAL, a California)
24 Corporation; DAVID MISCAVIGE;)
25 DOES 1 to 100;)

26 Cross-Defendant.

27 Cross-Complainant GERALD ARMSTRONG alleges as follows:
28

COPY

1 9. From 1969 through 1981 ARMSTRONG was a
2 Scientologist who devoted his life to Scientology founder, L. Ron
3 Hubbard, the ideals he proclaimed and the Scientology organization
4 he claimed to have built to promulgate those ideals. After
5 leaving Hubbard's and the organization's employ and control in
6 December 1981, ARMSTRONG was declared by Scientology to be
7 "Suppressive Person," or "SP," which designated him an "enemy,"
8 and became the target of Hubbard's policy of "Fair Game," which
9 states:

10 "ENEMY - SP Order. Fair Game. May be deprived of
11 property or injured by any means by any
12 Scientologist without any discipline of the
13 Scientologist. May be tricked, sued or lied to or
14 destroyed."

15 Scientology using its corporate component, Church of Scientology
16 of California ("CSC") as Plaintiff, filed a lawsuit, No. C 420153,
17 in the Los Angeles Superior Court against ARMSTRONG on August 2,
18 1982. ARMSTRONG filed a Cross-Complaint against CSC and L. RON
19 HUBBARD September 17, 1982. The Complaint and the Cross-Complaint
20 thereto, hereinafter referred to together as Armstrong I, were
21 bifurcated and the underlying Complaint was tried without a jury
22 in 1984. A Memorandum of Intended Decision was rendered by Judge
23 Paul G. Breckenridge, Jr. June 20, 1984 and entered as a Judgment
24 August 10, 1984. Scientology appealed.

25 10. During the Armstrong I litigation Scientology
26 carried out a massive and international campaign of Fair Game
27 against ARMSTRONG and his lawyer, Michael J. Flynn of Boston,
28 Massachusetts, hereinafter "Flynn," who had been the prime mover

1 in much of the anti-Scientology-related litigation throughout the
2 United States. Acts against ARMSTRONG pursuant to Fair Game
3 included assault, an attempted staged highway accident, attempted
4 entrapment, theft of private papers and original artwork,
5 dissemination of information from his confidential "counseling"
6 records, filing false criminal charges on at least five occasions,
7 global defamation, threat of murder, and illegal electronic
8 surveillance. ARMSTRONG learned during the period he was
9 represented in the litigation by Flynn that Fair Game acts against
10 Flynn included attempted murder, theft of private papers, threats
11 against his family, defamation, thirteen frivolous lawsuits,
12 spurious bar complaints, and framing with the forgery of a
13 \$2,000,000 check on a bank account of L. Ron Hubbard.

14 11. In the fall of 1986, while working as a paralegal
15 in the Flynn firm, ARMSTRONG was aware that settlement talks
16 involving all the Scientology-related cases in which Flynn was
17 either counsel or party were occurring in Los Angeles, California
18 between Flynn and Scientology. Such talks had occurred a number
19 of times over the prior four years. On December 5, 1986 ARMSTRONG
20 was flown to Los Angeles, as were several other of Flynn's clients
21 with claims against the organization, to participate in a "global
22 settlement." Prior to flying to Los Angeles, ARMSTRONG had
23 reached an agreement with Flynn on a monetary figure to settle
24 Armstrong I, but did not know any of the other conditions of
25 settlement.

26 12. After ARMSTRONG's arrival in Los Angeles, Flynn
27 showed him a copy of a document entitled "Mutual Release of All
28 Claims and Settlement Agreement," hereinafter "the settlement

1 agreement," and some other documents including affidavits, and was
2 advised by Flynn that he was expected to sign them all. Upon
3 reading the settlement agreement ARMSTRONG was shocked and
4 heartsick. ARMSTRONG told Flynn that the condition of "strict
5 confidentiality and silence with respect to his experiences with"
6 Scientology, since it involved over seventeen years of his life
7 was impossible to perform. ARMSTRONG told Flynn that the
8 liquidated damages clause was outrageous; that pursuant to the
9 agreement ARMSTRONG would have to pay \$50,000.00 if he told a
10 medical doctor or psychologist about his experiences from those
11 years, or if he put on a job resume what positions he had held
12 during his organization years. He told Flynn that the
13 requirements of non-amenability to service of process and non-
14 cooperation with persons or organizations adverse to Scientology
15 were obstructive of justice. He told Flynn that agreeing to leave
16 Scientology's appeal of the Breckenridge decision and not respond
17 to any subsequent appeals was unfair to the courts and all the
18 people who had been helped by the decision. ARMSTRONG told Flynn
19 that an affidavit Scientology was demanding that he sign was
20 false, that there had been no management change, that his private
21 preclear folders were still being culled, and that he had the same
22 disagreements with Scientology's Fair Game policies and actions,
23 which had continued without change up to that date. ARMSTRONG
24 told Flynn that he was being asked to betray everything and
25 everyone he had fought for against organization injustice.

26 13. In answer to ARMSTRONG's objections to the
27 settlement agreement Flynn said that the silence and liquidated
28 damages clauses, and anything which called for obstruction of

1 justice were "not worth the paper they [were] printed on." Flynn
2 stated that representation a number of times and in a number of
3 ways; e.g., that ARMSTRONG could not contract away his
4 Constitutional rights; that the conditions were unenforceable.
5 Flynn stated that he had advised Scientology's lawyers that those
6 conditions in the settlement agreement were not worth the paper
7 they were printed on, but that Scientology, nevertheless, insisted
8 on their inclusion and would not agree to any changes. Flynn
9 pointed out to ARMSTRONG the clauses in the settlement agreement
10 concerning his release of his claims against Scientology and
11 Scientology's release of its claims against ARMSTRONG and stated
12 that they were the essential elements of the settlement and what
13 the organization was paying for.

14 14. Flynn stated to ARMSTRONG at that time that he was
15 sick of the litigation and the threats to him and his family, and
16 that he wanted to get out. Flynn stated that all the people
17 involved in his side of the Scientology-related litigation were
18 sick of it and wanted to get on with their lives. He said that as
19 a condition of settlement he and his co-counsels in the
20 Scientology-related litigation had agreed to not become involved
21 in that litigation in the future. Flynn conveyed to ARMSTRONG a
22 hopelessness concerning the inability of the courts of this
23 country to deal with Scientology, its lawyers and their
24 contemptuous abuse of the justice system. Flynn told ARMSTRONG
25 that if he didn't sign the documents all he had to look forward to
26 was more years of harassment and misery. When ARMSTRONG expressed
27 his continuing objections to the settlement agreement, Edward
28 Walters, whom Flynn had kept present in the room during this

1 discussion with ARMSTRONG, and who was another of Flynn's clients
2 and a participant in the settling of Flynn's Scientology-related
3 litigation, yelled at ARMSTRONG accusing him of killing the
4 settlement for everyone, that everyone else had signed or would
5 sign, and that everyone else wanted the settlement. Flynn told
6 ARMSTRONG that Scientology would only settle with everyone
7 together; otherwise there would be no settlement. Flynn did agree
8 to ask Scientology to include a clause in ARMSTRONG's settlement
9 agreement allowing him to keep his creative works relating to L.
10 Ron Hubbard or the organization.

11 15. Flynn stated to ARMSTRONG that a major reason for
12 the settlement's "global" form was to give Scientology the
13 opportunity to change its combative attitude and behavior by
14 removing the threat he and his clients represented to it. He said
15 that Scientology wanted peace and unless ARMSTRONG signed
16 Scientology's documents there would be no peace. Flynn stated
17 that Scientology's attorneys had promised that the affidavit
18 ARMSTRONG considered false would only be used by Scientology if
19 ARMSTRONG began attacking it after the settlement. Since
20 ARMSTRONG had no intention of attacking Scientology, he understood
21 that the offensive affidavit would never see the light of day.

22 16. During ARMSTRONG's meeting with Flynn he found
23 himself facing a dilemma. If he refused to sign the settlement
24 agreement and affidavit all the other settling litigants, many of
25 whom had already been flown to Los Angeles in anticipation of a
26 settlement, would be disappointed and would continue to be
27 subjected to organization harassment for an unknown period of
28 time. ARMSTRONG had been positioned as a deal-breaker and led to

1 believe he would lose the support of some, if not all, of the
2 settling claimants, several of whom were key witnesses in his case
3 against Scientology. ARMSTRONG was led to believe that all the
4 lawyers involved in his case desperately wanted out of
5 Scientology-related litigation, and should he not sign the
6 settlement documents would become unhappy and unwilling in their
7 representation of him. ARMSTRONG reasoned that, on the other
8 hand, if he did sign the settlement documents all his co-
9 litigants, some of whom he knew to be in financial trouble, would
10 be happy, the stress they felt would be reduced and they could get
11 on with their lives. ARMSTRONG believed that Flynn and his other
12 lawyers would be happy and the threat to them and their families
13 removed. ARMSTRONG believed that Scientology would have the
14 opportunity its lawyers said it desired to clean up its act, and
15 start anew. Armed with Flynn's assurance that the conditions he
16 found so offensive in the settlement agreement were not worth the
17 paper they were printed on, and the knowledge that Scientology's
18 attorneys were also aware of that fact, ARMSTRONG put on a happy
19 face and on the following day went through the charade of a
20 videotaped signing.

21 17. On December 11, 1986, pursuant to stipulation,
22 Judge Breckenridge issued orders dismissing the Armstrong I Cross-
23 Complaint, directing that the settlement agreement be filed and
24 retained by the clerk under seal, releasing to Scientology all
25 trial exhibits and other documents which had been held by the
26 clerk of the Court, and sealing the entire Court file. Despite
27 the Court's specific order Scientology never filed the Settlement
28 Agreement.

1 18. On December 18, 1986 the California Court of
2 Appeal, Second Appellate District, Division Three, issued an
3 unpublished opinion dismissing Scientology's appeal from the
4 Breckenridge decision on the ground that there would be no
5 appealable final judgment until after trial of the Armstrong I
6 Cross-Complaint.

7 19. Scientology filed a Petition for Rehearing of its
8 appeal in the Court of Appeal, which was denied January 15, 1987;
9 then a Petition for Review by the California Supreme Court which
10 was denied March 11, 1987. On January 30, 1987 Scientology filed
11 in the Los Angeles Superior Court an "Unopposed Motion to Withdraw
12 Memorandum of Intended Decision," which Judge Breckenridge denied
13 February 2, 1987. On February 9, 1987 Scientology filed a Notice
14 of Appeal from the orders issued pursuant to stipulation by Judge
15 Breckenridge on December 11, 1986.

16 20. Scientology did not desire peace from the December
17 1986 settlement with ARMSTRONG but an advantage wherein they could
18 continue to attack him without his being able to respond. They
19 removed his lawyers from defending him, and used his lead lawyer,
20 Flynn, as their agent to relay to ARMSTRONG threats of litigation
21 and to keep him from responding to their attacks. Immediately
22 following the settlement Scientology operatives contacted Beverly
23 Rutherford, one of ARMSTRONG's friends from his pre-Scientology
24 past, to try to get information from her concerning ARMSTRONG of a
25 personal and embarrassing nature to be used against him. Also
26 immediately following the settlement Scientology delivered a pack
27 of documents concerning and attacking ARMSTRONG to reporters
28 Robert Welkos and Joel Sappell of the Los Angeles Times.

1 Scientology has continued from the date of the settlement to
2 collect intelligence information on ARMSTRONG, to consider him an
3 enemy and to treat him as Fair Game. The settlement itself in
4 intention, form, and effect was an act of Fair Game.

5 21. Although contacted a number of times by the media
6 for statements concerning Scientology or Hubbard in the three
7 years following the settlement, ARMSTRONG did not make any public
8 statements during that period.

9 22. In the fall of 1987 ARMSTRONG received a document,
10 which had been created and circulated by Scientology to discredit
11 ARMSTRONG and writer Bent Corydon. In this document Scientology
12 accused ARMSTRONG of "numerous false claims and lies," of
13 "incompetence as a researcher," as having "stolen valuable
14 documents from [Scientology] archives," and of being part of "a
15 small cabal of thieves, perjurers and disreputable sources." Such
16 statements were themselves lies, known to Scientology to be lies,
17 malicious, and intended to destroy ARMSTRONG's reputation and
18 credibility. In this document as well Scientology describes
19 ARMSTRONG's experiences in the organization as Hubbard's archivist
20 and biographical researcher, and discusses aspects of the
21 Armstrong I litigation, all in violation of the letter and spirit
22 of the settlement.

23 23. In early 1988 ARMSTRONG received a number of
24 affidavits Scientology had filed in Scientology v. Miller in
25 London, England, which accuse ARMSTRONG of, inter alia, retaining
26 documents in violation of a Los Angeles Superior Court order,
27 providing documents to Russell Miller in violation of a court
28 order, and violating court sealing orders. The affidavits accuse

1 ARMSTRONG of being "an admitted agent provocateur of the U.S.
2 Federal Government who planned to plant forged documents in
3 [Scientology] files which would then be "found" by Federal
4 officials in subsequent investigations as evidence of criminal
5 activity," and of intending to "plant forged documents within the
6 [Scientology] and then using the contents to get [Scientology]
7 raided. All of Scientology's accusations regarding ARMSTRONG in
8 the affidavits filed in Miller are false, known by Scientology to
9 be false, malicious and intended to destroy ARMSTRONG's
10 credibility. ARMSTRONG has proven repeatedly to Scientology that
11 its accusations are false, but Scientology has not corrected the
12 falsehoods wherever they have been uttered or written but has
13 continued to spread its lies about ARMSTRONG.

14 24. Scientology's affidavits filed in Miller also
15 contain descriptions of ARMSTRONG's experiences in the
16 organization and conditions of the settlement agreement. At the
17 same time Scientology demanded that ARMSTRONG not discuss his own
18 experiences or conditions of settlement on penalty of \$50,000.00
19 an utterance. Scientology itself filed documents in the case
20 straight out of the sealed Armstrong I file. Such acts are
21 intended to bring about ARMSTRONG's mental disintegration and
22 total destruction, are conscious and premeditated acts by
23 Scientology of Fair Game, and have caused ARMSTRONG great anguish.

24 25. Also in October 1987 ARMSTRONG was contacted by a
25 reporter from the London Sunday Times who advised him that
26 Scientology had given the newspaper a pack of documents concerning
27 him. The reporter said that Scientology representatives were
28 claiming that ARMSTRONG was an agent provocateur who tried to

1 plant forged documents in the organization and wanted to destroy
2 the scientology religion. The reporter also said that Scientology
3 representatives had given the newspaper a videotape of ARMSTRONG
4 they claimed showed him conspiring to overthrow Scientology
5 management. ARMSTRONG told the reporter that although he
6 considered Scientology's attacks violated the settlement agreement
7 he would not respond to them.

8 26. On December 21, 1988 ARMSTRONG received a call from
9 Flynn who relayed a message from Michael Lee Hertzberg, one of the
10 organization's leading lawyers stating that he wanted ARMSTRONG to
11 file a pleading to keep the court file sealed in the face of
12 efforts by the plaintiff in Corydon v. CSI, Los Angeles Superior
13 Court case no. C 694401, who had filed a motion to unseal the
14 Armstrong I court file. Flynn stated that Hertzberg had
15 threatened that if ARMSTRONG failed to cooperate Hertzberg would
16 release a private and personal document belonging to ARMSTRONG
17 regarding one of his dreams specifically sealed by Judge
18 Breckenridge in Armstrong I.

19 27. On December 27, 1988 ARMSTRONG spoke again by phone
20 with Flynn, who advised ARMSTRONG that due to a court order
21 unsealing the file in Armstrong I, he was going to file a pleading
22 to say that the settlement documents should remain sealed.
23 ARMSTRONG disagreed and advised Flynn he did not want such a paper
24 filed, but on November 15, 1989 ARMSTRONG received notice that
25 Flynn had filed such a paper against his wishes.

26 28. On October 11, 1989 ARMSTRONG was served with a
27 deposition subpoena duces tecum which had been issued by Toby
28 Plevin, an attorney representing Corydon in his litigation against

1 Scientology.

2 29. On October 23, 1989 ARMSTRONG received a call from
3 Heller who stated that Scientology would seek a protective order
4 to prevent Armstrong's deposition in Corydon from going forward,
5 that Armstrong should be represented by a Scientology lawyer, that
6 to maintain the settlement agreement ARMSTRONG could only answer
7 questions by court order, that ARMSTRONG should refuse to answer
8 the deposition questions and force Corydon to get an order from
9 the court compelling ARMSTRONG to answer.

10 30. On October 25, 1989 Heller told ARMSTRONG that he
11 had a problem with ARMSTRONG responding to deposition questions
12 concerning such things as L. Ron Hubbard's misrepresentations or
13 ARMSTRONG's period as Hubbard's archivist in the organization,
14 that he wanted to have an attorney present to instruct ARMSTRONG
15 not to answer such questions so that Corydon would have to move to
16 compel an answer, and that if the court ordered sanctions for
17 ARMSTRONG's refusal to answer, Scientology would indemnify him.
18 Heller further stated that ARMSTRONG had a contractual obligation
19 to Scientology and that if ARMSTRONG did answer deposition
20 questions he would have breached the settlement agreement and may
21 be sued.

22 31. Based on Heller's threats, the earlier threats and
23 Scientology's post-settlement attacks described above, ARMSTRONG's
24 understanding of his importance to and involvement with
25 Scientology, and his knowledge of Scientology, its fraud and Fair
26 Game, moved him at that time to protect himself by beginning to
27 assemble documentation and prepare a declaration to oppose these
28 Scientology abuses.

1 32. On November 1, 1989 Heller, on behalf of
2 Scientology entity Author Services Inc., a defendant in Corydon,
3 filed a motion "to Delay or Prevent the Taking of Certain Third
4 Party Depositions," relating to the deposition of ARMSTRONG.
5 Heller stated in the motion:

6 "One of the key ingredients to completing these
7 settlement, insisted upon by all parties involved, was
8 strict confidentiality respecting: (1) the Scientology
9 parishioner or staff member's experiences within the
10 Church of Scientology; (2) any knowledge possessed by
11 the Scientology entities concerning those staff members
12 or parishioners; and (3) the terms and conditions of the
13 settlements themselves."

14 33. On November 18, 1989 ARMSTRONG received a copy of a
15 videotape edited from videotapes of him made in 1984 by
16 Scientology intelligence operatives and used thereafter against
17 him. This copy had been given to the London Sunday Times, along
18 with a package of documents concerning ARMSTRONG by Scientology
19 operatives. Taped to the video cassette was the business card of
20 Eugene M. Ingram, the Scientology's private detective who had set
21 up the videotaping.

22 34. On November 20, 1989 Heller contacted ARMSTRONG and
23 advised him that he wanted ARMSTRONG to execute Scientology a
24 declaration that ARMSTRONG had either no or minimal contact with
25 Corydon in the organization, and that subsequent to leaving he had
26 received no information about Corydon. ARMSTRONG told Heller
27 that he knew Corydon quite well and that he saw himself as a
28 relevant witness, and would go forward with the deposition.

1 Heller said to do so would be a mistake because only Scientology
2 would ever help him, that ARMSTRONG should assist Scientology
3 because it had honored its agreement, that Scientology had signed
4 a non-disclosure agreement as well and as far as he knew had lived
5 up to its agreement. When ARMSTRONG disagreed, Heller reiterated
6 at the end of the conversation that if ARMSTRONG started to
7 testify, for example about the Hubbard biography project, or
8 things he and Scientology considered irrelevant, he would be sued
9 for breach of contract.

10 35. On November 30, 1989 ARMSTRONG attended a hearing
11 in Corydon of Scientology's motion to prevent his deposition from
12 going forward where he was served with a subpoena duces tecum
13 ordering him to appear as a witness in the trial of Religious
14 Technology Center v. Joseph A. Yanny, Los Angeles Superior Court
15 Case no. C 690211.

16 36. On February 15, 1990 ARMSTRONG received a call
17 from one of Michael Flynn' partners, attorney Michael A. Tabb, who
18 said he had been called by Heller who told him that Scientology
19 considered ARMSTRONG had violated the settlement agreement by
20 being in the courthouse when he was served in Yanny, that they
21 intended to prove it, and that he would be sued.

22 37. On January 18, 1990 ARMSTRONG received a copy of
23 Appellants' Opening Brief which Scientology had filed December 21,
24 1989 in appeal No. B025920 in Division Three of the Second
25 Appellate District in the California Court of Appeal wherein
26 Scientology sought a reversal of the 1984 Breckenridge decision.
27 On January 30, 1990 ARMSTRONG received the Reply Brief of
28 Appellants and Response to Cross-Appeal filed in Division Four in

1 the Second Appellate District in an appeal entitled Church of
2 Scientology of California and Mary Sue Hubbard, Appellants,
3 against Gerald Armstrong, Defendant; Bent Corydon, Appellee, No.
4 B038975 in which Scientology sought a reversal of Judge
5 Geernaert's ruling unsealing the Armstrong I court file.

6 38. Because the settlement agreement prohibited
7 ARMSTRONG from opposing any of the appeals Scientology might take,
8 he filed a Petition for Permission to Respond in the B025920
9 Division Three appeal February 28, 1990, and in the B038975
10 Division Four appeal March 1, 1990. When his petitions were
11 granted, ARMSTRONG filed a Respondent's Briefs opposing
12 Scientology appeals.

13 39. ARMSTRONG's March 15, 1990 declaration that he had
14 filed in the Court of Appeal was used by Corydon as an exhibit
15 supporting a motion for an order directing non-interference with
16 witnesses. In its opposition thereto Scientology Heller
17 contradicted what he earlier had said to ARMSTRONG about the
18 agreement being reciprocal, now stating that Scientology was free
19 to talk about Armstrong, but that Armstrong was not free to talk
20 about it. Heller's lies to ARMSTRONG, his lies in sworn
21 declarations about the reciprocity of the settlement agreement,
22 the trap ARMSTRONG had been placed in by Scientology and his own
23 attorney, who, because of Scientology Fair Game tactics, had
24 deserted him, caused ARMSTRONG great distress and grief.

25 40. In his March 27 1990, declaration and in the
26 opposition to plaintiff's motion for non-interference with
27 witnesses in Corydon, Heller denied that the three telephone calls
28 with ARMSTRONG occurred, denied offering to have Scientology pay

1 for an attorney at ARMSTRONG's deposition in Corydon, denied
2 offering to indemnify ARMSTRONG for sanctions which might be
3 imposed by the court, and denied threatening ARMSTRONG with
4 litigation. These denials are lies.

5 41. In his March 26, 1990 declaration, Kenneth Long,
6 Scientology staff member who had executed a number of the
7 affidavits concerning ARMSTRONG which were filed in the Miller
8 case, stated:

9 "In January, 1987, following settlement of Scientology
10 (sic) of California ("CSC"), Armstrong turned over to
11 CSC all [Scientology]-related documents in his
12 possession. I personally inspected the documents turned
13 over by Armstrong, and found a number of copies of the
14 documents which Armstrong had previously sworn that he
15 had surrendered to the Clerk of the Court. [] Based on
16 my discovery of these documents, I concluded that
17 Armstrong had intentionally perjured himself on numerous
18 occasions, and had as well knowingly violated orders
19 issued by judges at all levels ranging from the Los
20 Angeles Superior Court to the Supreme Court of the
21 United States."

22 Long's statement is false, reckless and malicious. Long stated as
23 well that his affidavits attacking ARMSTRONG in Miller were
24 necessary "to detail the elements of the breach of confidence
25 against Miller and Penguin, and the claim could not have been
26 brought without explaining the underlying actions taken by
27 Armstrong."

28 42. On March 21, 1990 ARMSTRONG spoke by phone with

1 Michael Flynn, who said that he had been called by Lawrence Heller
2 two or three weeks before. Flynn said that Heller told him that
3 ARMSTRONG was right then sitting in the courtroom at the Yanny
4 trial and he asked Flynn to call ARMSTRONG and tell him that if he
5 testified in Yanny he would be in violation of the settlement
6 agreement and would be sued. ARMSTRONG had been present at the
7 Yanny trial March 5, 1990.

8 43. In early April, 1990 ARMSTRONG received a call from
9 Scientology lawyer Eric Lieberman who threatened dire consequences
10 if ARMSTRONG continued to speak out against Scientology in
11 violation of the settlement agreement. ARMSTRONG related to
12 Lieberman a list of Scientology's post-settlement attacks on
13 ARMSTRONG in violation itself of the agreement. Lieberman
14 dismissed ARMSTRONG's grievances as insignificant.

15 44. On July 8, 1988 the Internal Revenue Service issued
16 a document entitled "final adverse ruling" to a Scientology
17 corporate entity named Church of Spiritual Technology ("CST")
18 denying its application for tax exempt status. In that ruling the
19 IRS stated:

20 "In support of the protest (protest conference was held
21 in January 1987) to our initial adverse ruling, we were
22 supplied with copies of affidavits dated December 4,
23 1986, from Gerald Armstrong and Laurel Sullivan. Ms.
24 Sullivan was the person in charge of the MCCS project
25 (Scientology's "Mission Corporate Category Sort-out,"
26 the purpose of which was to devise a new organizational
27 structure to conceal L. Ron Hubbard's continued
28 control). The affidavits state that the new church

1 management 'seems to have returned to the basic and
2 lawful policies and procedures as laid out by the
3 founder of the religion, L. Ron Hubbard.' The
4 affidavits conclude as follows: 'Because of the
5 foregoing, I no longer have any conflict with the Church
6 of Scientology or individual members affiliated with the
7 Church. Accordingly I have executed a mutual release
8 agreement with the Church of Scientology and sign this
9 affidavit in order to signify that I have no quarrel
10 with the Church of Scientology or any of its members.'"

11 Scientology filed the ARMSTRONG affidavit in the COST case for the
12 purpose of destroying his credibility and in violation of the
13 representation Scientology had Flynn make to ARMSTRONG during
14 settlement that such affidavit would never be used unless
15 ARMSTRONG attacked Scientology after settlement. Scientology's
16 filing of the affidavit, its use of the courts, and the campaign
17 to destroy ARMSTRONG's reputation have caused ARMSTRONG great
18 emotional distress.

19 45. In August 1991 while in South Africa ARMSTRONG was
20 informed by Stuart Cutler, a lawyer for Malcolm Nothling,
21 litigant against Scientology, that Scientology had provided
22 ARMSTRONG's personal papers regarding the 1985 dream which had
23 been sealed in Armstrong I, to Scientology's South African legal
24 representatives for use against ARMSTRONG in the Nothling
25 litigation in which ARMSTRONG was expected to testify. The
26 dissemination of this document in South Africa caused ARMSTRONG
27 great embarrassment and emotional distress.

28 46. On August 12, 1991 Scientology filed a lawsuit

1 against 17 agents of the IRS, case no. 91-4301-SVW in United
2 States District Court, Central District of California for more
3 than \$120,000,000.00. Scientology used therein a false rendition
4 of the 1984 illegal videotaping of ARMSTRONG, which videotape had
5 been sealed in the Armstrong I court file. Scientology stated in
6 its complaint:

7 "The infiltration of the [Scientology] was planned by
8 the LA CID along with former [Scientology] member Gerald
9 Armstrong, who planned to seed [Scientology] files with
10 forged documents which the IRS could then seize in a
11 raid. The CID actually planned to assist Armstrong in
12 taking over the [Scientology] hierarchy which would then
13 turn over all [Scientology] documents to the IRS for
14 their investigation."

15 Scientology knew that these accusations were false and knew that
16 ARMSTRONG knew they were false.

17 47. Upon his return to the United States from South
18 Africa, Armstrong visited the law office of Ford Greene who asked
19 for his help. Armstrong, who is a trained paralegal, and lived in
20 the same Marin County town as Greene, agreed to help him, and has
21 been working with him from that time until the present. The moment
22 he began working in Greene's office Scientology began to terrorize
23 him with constant surveillance by Scientology intelligence
24 operatives, videotaped him, embarrassed him, caused disturbances
25 in the neighborhood of Greene's law firm, and caused him great
26 fear. Scientology has a reputation of using its intelligence
27 operatives or private investigators to assault its perceived
28 enemies, frame them, entrap them, terrorize them, lie about them,

1 and steal from them. Judge Breckenridge in Armstrong I, had found
2 that:

3 "Defendant Armstrong was the subject of harassment,
4 including being followed and surveilled by individuals
5 who admitted employment by [Scientology]; being
6 assaulted by one of these individuals; being struck
7 bodily by a car driven by one of these individuals;
8 having two attempts made by said individuals apparently
9 to involve Defendant Armstrong in a freeway automobile
10 accident; having said individuals come onto Defendant
11 Armstrong's property, spy in his windows, create
12 disturbances, and upset his neighbors."

13 The August 1991 surveillance of ARMSTRONG by Scientology
14 operatives was intended to and caused ARMSTRONG severe shock and
15 emotional distress.

16 48. ARMSTRONG called and wrote to Scientology lawyer
17 Eric Lieberman on August 21 and 22, 1991 protesting the
18 surveillance, videotaping and Scientology terror tactics.
19 Lieberman never responded, but Scientology responded with renewed
20 attacks on ARMSTRONG, filing perjurious declarations about him in
21 Aznaran v. Scientology, U.S. District Court, Central District of
22 California, Case No. CV-88-1786-JMI(Ex) accusing him of, inter
23 alia, being in Greene's office (during the period when he had been
24 in South Africa), of being employed by Joseph Yanny while working
25 for Greene, and of being Yanny's extension in the Aznaran case.
26 Scientology used these lies in a series of attempts to have the
27 Aznaran case dismissed, and in further attempts to destroy
28 ARMSTRONG's credibility and his capacity to defend himself from

1 Scientology's attacks. Scientology also filed perjurious
2 declarations in Aznaran concerning the illegal 1984 Armstrong
3 operation, claiming, inter alia, that the operation was a police-
4 sanctioned investigation, that ARMSTRONG was plotting against
5 Scientology and seeking out staff members who would be willing to
6 assist him in overthrowing its leadership, and that ARMSTRONG's
7 theory of litigation against Scientology was to fabricate the
8 facts. These lies were used in a series of attempts to deny the
9 Aznarans justice and to attack ARMSTRONG's credibility and leave
10 him defenseless before Scientology's assault. Scientology
11 moreover used in these attempts transcripts of the illegal 1984
12 videotaping of ARMSTRONG which had been sealed in the Armstrong I
13 court file. Scientology knew its lies filed in the Aznaran case
14 regarding ARMSTRONG were lies, knew it was using sealed documents
15 to attack ARMSTRONG, knew that such caused ARMSTRONG great
16 emotional distress, and knew that its acts in Armstrong I had
17 caused him emotional distress for which it had paid ARMSTRONG a
18 significant sum of money. Scientology's statements filed in
19 Aznaran regarding ARMSTRONG were malicious and an abuse process.
20 ARMSTRONG filed a declaration in Aznaran dated September 3, 1991
21 detailing the lies Scientology had up to that time filed about him
22 in that case and stating the truth of the matters. On June 23,
23 1992, Judge Ideman, presiding in the Aznaran case denied all
24 Scientology's motions in which it had filed its attacks on
25 ARMSTRONG.

26 49. On October 3, 1991 Scientology, using CSC, CSI and
27 RTC as Plaintiffs, filed a motion in Los Angeles Superior Court in
28 the Armstrong I case to enforce the settlement agreement in which

1 it charged that ARMSTRONG's declaration in Aznaran which rebutted
2 Scientology's lies filed about him in that case was a violation of
3 the settlement agreement. That motion, in which Scientology
4 sought from ARMSTRONG \$100,000.00 in damages for his responses to
5 Scientology attacks, was denied on December 23, 1991 by Judge
6 Geernaert, who stated during the hearing of that date:

7 " So my belief is Judge Breckenridge, being a very
8 careful judge, follows about the same practice and if he
9 had been presented that whole agreement and if he had
10 been asked to order its performance, he would have dug
11 his feet in because that is one of the [] most
12 ambiguous, one-sided agreements I have ever read. And I
13 would not have ordered the enforcement of hardly any of
14 the terms had I been asked to, even on the threat that,
15 okay the case is not settled.

16 I know we like to settle cases. But we don't want to
17 settle cases and, in effect, prostrate the court system
18 into making an order which is not fair or in the public
19 interest."

20 50. Heedless of Judge Geernaert's comments Scientology
21 on February 4, 1992 filed the underlying lawsuit, hereinafter
22 Armstrong II, this time seeking \$1,700,000.00 in damages. On
23 March 26, 1992 Scientology sought to have ARMSTRONG held in
24 contempt of court for communicating to the media about the
25 litigation after Scientology had itself given an interview to the
26 media and in response to Scientology's public comments about him.
27 Judge Dufficy of the Marin Superior Court, then presiding over the
28 Armstrong II litigation, refused to hear Scientology's effort to

1 have ARMSTRONG found in contempt. The effort, however,
2 demonstrates Scientology's intention: create a scenario in which
3 ARMSTRONG responds to Scientology attacks and then have him jailed
4 for his response. Then, pursuant to Scientology policy,
5 neutralize him.

6 51. On February 19, 1992 Ford Greene, ARMSTRONG's
7 attorney in Armstrong II, wrote Scientology attorney Laurie
8 Bartilson requesting that ARMSTRONG's former attorneys in
9 Armstrong I, Michael Flynn, Julia Dragojevic and Bruce Bunch, each
10 of whom were specifically prohibited by contract with Scientology
11 from giving ARMSTRONG a declaration to assist him in his defense
12 of Scientology's lawsuit to enforce the settlement agreement, be
13 released from that prohibition so they could provide him with
14 needed declarations. Scientology refused. On February 24, 1992
15 Greene wrote Bartilson requesting that the other individuals who
16 had entered into settlement agreements with Scientology,
17 negotiated by Scientology with Flynn in 1986, and who were
18 specifically prohibited from providing ARMSTRONG with a
19 declaration to assist him in his defense of Scientology's lawsuit
20 to enforce the settlement agreement, be released from that
21 prohibition so they could provide him with needed declarations.
22 Even though Scientology had used the fact of the other
23 individuals' settlement agreements being substantially similar to
24 the ARMSTRONG agreement, and cited to and relied on cases
25 involving those individuals' settlements in its lawsuit against
26 ARMSTRONG, Scientology refused to release them from their contract
27 not to assist ARMSTRONG.

28 52. On May 27, 1992 at a hearing on a motion

1 Scientology brought to obtain a preliminary injunction in this
2 case, Los Angeles Superior Court Judge Sohigian stated:

3 "The information that's being suppressed in this case,
4 however, is information about extremely blameworthy
5 behavior of the [Scientology] which nobody owns; it is
6 information having to do with the behavior of a high
7 degree of offensiveness and behavior which is tortious
8 in the extreme. It involved abusing people who are weak.
9 It involves taking advantage of people who for one
10 reason or another get themselves enmeshed in this
11 extremist view in a way that makes them unable to resist
12 it apparently. There appears to be in the history of
13 [Scientology's] behavior a very, very substantial
14 deviation between [Scientology's] conduct and standards
15 of ordinary, courteous conduct and standards of ordinary
16 honest behavior. They're just way off in a different
17 firmament. [Scientology's] is the kind of behavior which
18 makes you sort of be sure you cut the deck and be sure
19 you've counted all the cards. If you're having a
20 friendly poker game you'd make sure to count all the
21 chips before you dealt any cards."

22 Despite these statements concerning Scientology and its practices,
23 and despite Scientology's knowledge of similar rulings and
24 judgments in Armstrong I, the case of Wollersheim v. Scientology,
25 the case of Allard v. Scientology, the case in England Re B & G
26 Wards, the cases of US v. Hubbard and US v. Kember, and of
27 articles in the Los Angeles Times in 1990 and Time magazine in
28 1991, Scientology continues to attack ARMSTRONG and its other

1 perceived enemies pursuant to its basic doctrine of Fair Game.
2 Scientology's refusal to change its posture toward ARMSTRONG in
3 the face of evidence of its nature causes ARMSTRONG severe
4 emotional distress. Judge Sohigian denied Scientology's motion to
5 enforce the settlement agreement in every aspect except for his
6 right to provide testimony in anti-Scientology litigation without
7 being first subpoenaed to provide such testimony. The Sohigian
8 ruling left ARMSTRONG free to speak and write about Scientology,
9 to provide information to government agencies without the need for
10 a subpoena and to continue to work as a paralegal.

11 53. ARMSTRONG has learned that MISCAVIGE possessed
12 ARMSTRONG's original artwork and manuscript after they were stolen
13 from ARMSTRONG's car in 1984. MISCAVIGE told Vicki Aznaran that
14 he had ARMSTRONG's artwork and manuscript, and he described
15 ARMSTRONG's works as weird poetry and letters to Hubbard.
16 Scientology lawyer John Peterson in 1984, in response to
17 ARMSTRONG's demand at that time for return of his works denied
18 that Scientology possessed them. Now ARMSTRONG has the proof and
19 he demands these works' return.

20 54. On July 8, 1993, Scientology filed another lawsuit
21 against ARMSTRONG styled Church of Scientology International v.
22 Armstrong, Los Angeles Superior Court, Case No. BC 084 642
23 (hereinafter "Armstrong III") in retaliation for ARMSTRONG's
24 continuing to publicly speak out in the news media on the subject
25 of Scientology and its practices and for filing a declaration on
26 behalf of a defendant, Lawrence Wollersheim, whom Scientology had
27 sued.

28 55. On July 23, 1993, Scientology filed the instant

1 which said proceedings were not designed, specifically, the
2 suppression of evidence, the obstruction of justice, the
3 assassination of cross-complainant's reputation, and retaliation
4 against said cross-complainant for prevailing at trial in
5 Armstrong I, and for continuing to publicly speak out on the
6 subject of Scientology, all so as to be able to attack cross-
7 complainant and prevent cross-complainant from being able to take
8 any effective action to protect himself.

9 59. Defendants, and each of them, acted with an ulterior
10 motive to suppress evidence, obstruct justice, assassinate cross-
11 complainant's reputation, suppress ARMSTRONG's First Amendment
12 rights, and to retaliate against cross-complainant in said
13 litigations.

14 60. That defendants, and each of them, have committed
15 willful acts of intimidation, threats, and submission of false and
16 confidential documents not authorized by the process of
17 litigation, and not proper in the regular conduct of litigation.

18 61. Cross-complainant has suffered damage, loss and harm,
19 including but not limited to his reputation, his emotional
20 tranquillity, and privacy.

21 62. That said damage, loss and harm was the proximate and
22 legal result of the use of such legal process.

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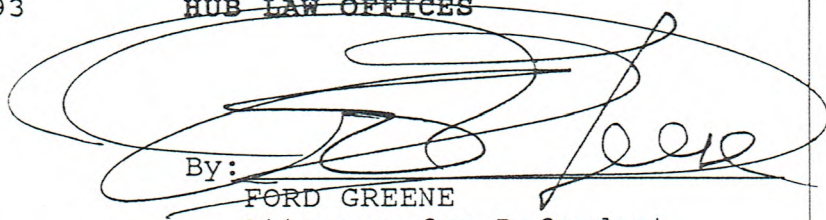
WHEREFORE, cross-complainant seeks relief as is hereinafter pleaded.

ON THE FIRST CAUSE OF ACTION

1. For general and compensatory damages according to proof.
2. For punitive and exemplary damages according to proof.
3. For attorney's fees and costs of suit.
4. For such other and further relief as the Court may deem just and proper.

DATED: November 30, 1993

~~HUB LAW OFFICES~~



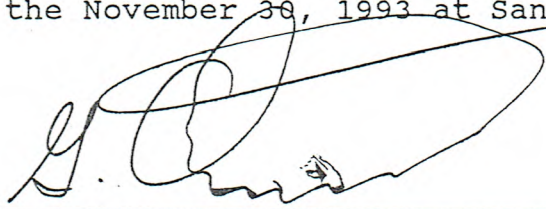
By: FORD GREENE
Attorney for Defendant

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VERIFICATION

I, the undersigned, am the cross-complainant in the above entitled action. I know the contents of the foregoing Amended Cross-Complaint I certify that the same is true of my own knowledge, except as to the matters which are therein stated upon my information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct according to the laws of the State of California and that this declaration was executed on the November 30, 1993 at San Anselmo, California.

By: 
GERALD ARMSTRONG

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PROOF OF SERVICE

I am employed in the County of Marin, State of California. I am over the age of eighteen years and am not a party to the above entitled action. My business address is 711 Sir Francis Drake Boulevard, San Anselmo, California. I served the following

documents: VERIFIED AMENDED CROSS-COMPLAINT FOR ABUSE OF PROCESS

on the following person(s) on the date set forth below, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California:

Andrew Wilson, Esquire
WILSON, RYAN & CAMPILONGO
235 Montgomery Street, Suite 450
San Francisco, California 94104

LAURIE J. BARTILSON, ESQ.
Bowles & Moxon
6255 Sunset Boulevard
Suite 2000
Los Angeles, California 90028

MICHAEL WALTON
P.O. Box 751
San Anselmo, California 94960

(By Mail) I caused such envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California.

(State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

DATED: November 30, 1993

